

Washington Metropolitan Area Transit Authority

| | |
|---|---------------|
| FY 2002 Proposed Operating Budget: | \$148,622,000 |
| FY 2002 Proposed Capital Budget: | \$65,600,000 |
| FY 2002 - FY 2007 Proposed Capital Budget | \$270,700,000 |

The Washington Metropolitan Area Transit Authority ensures safe, convenient, and cost-effective transit service within the District of Columbia and throughout the Washington metropolitan region.

Budget Summary

The proposed FY 2002 operating budget from all funding sources for the Washington Metropolitan Area Transit Authority (WMATA) is \$148,622,000, an increase of \$10,549,000 or 7.6 percent over the FY 2001 approved budget (table KE0-1). There are no District full-time equivalents (FTEs) supported by this budget. WMATA receives all of its funding from local sources.

The proposed FY 2002 capital budget totals \$65,600,000 for FY 2002 and \$270,700,000 for FY 2002–FY 2007.

Strategic Issues

- Stimulate the District economy by increasing accessibility to downtown for tourists as well as downtown workers and residents.

FY 2002 Initiatives

The following projects are proposed:

- Operation of 100 new Metrorail cars to relieve overcrowding and accommodate ridership growth on Metrorail.
- Increase bus and rail service throughout the city in order to increase access to jobs, schools,

shopping, and other necessary activities, as well as to relieve overcrowding and accommodate future growth.

- Accommodate costs of additional WMATA employee health care due to increased HMO and insurance fees.

Agency Background

The Washington Metropolitan Area Transit Authority provides an integrated bus and rail system for the metropolitan area. The Authority was created in 1967 through an interstate compact with the District of Columbia, the state of Maryland, and the commonwealth of Virginia. The Board of Directors, which is composed of representatives from each jurisdiction, governs the Authority. Its staff is charged with conducting operating and system administration, establishing fares, and determining funding from various sources, including the share of the subsidy from participating jurisdictions.

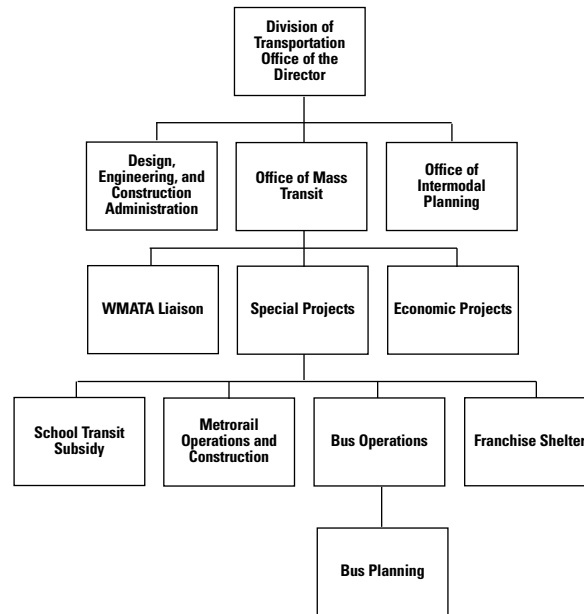
Following a trend that began in 1997, Metrobus and Metrorail ridership continue to increase. Current weekday rail ridership grew 4.1 percent from FY 1999 to FY 2000 and bus ridership grew 10.3 percent. Ridership growth is

The FY 2002 proposed operating budget is \$148,622,000, an increase of \$10,549,000, or 7.6 percent, over the FY 2001 approved budget.

The FY 2002 proposed capital budget is \$65,600,000.

Figure KE0-1

Washington Metropolitan Area Transit Authority



expected to be 7 percent on rail and 3 percent on bus for FY 2002. This growth is causing overcrowding on rail cars and buses, necessitating additional rail and bus operations.

Programs

Figure KE0-1 shows the organization of the Washington Metropolitan Area Transit Authority.

District Metrobus operations provide service 24 hours a day, 7 days a week, on approximately 101 routes throughout the District that serve an average weekday ridership of 289,000.

District Metrorail operations maintain the Metrorail system for District residents. WMATA currently operates 103 miles of the system in the metropolitan area with 83 stations. Approximately 38 miles of the operating rail system and 39 stations are located in the District.

The District's Metrorail Debt Service finances the District's annual share of \$997 million in bonds sold by WMATA in the 1970s for the rail construction program. This payment is consistent with the Ancillary Bond Repayment Participation Agreement entered into by the District of Columbia, the state of

Maryland, the commonwealth of Virginia, and the U.S. Secretary of Transportation.

Note that the Department of Public Works' Office of Mass Transit (OMT) is the District's liaison office with WMATA. OMT staff monitor and evaluate the provision of Metrobus and Metrorail service, prepare the annual subsidy budget, and process quarterly payments for the District's subsidy to WMATA.

Funding Summary Local

The proposed local FY 2002 budget is \$148,622,000, an increase of \$10,549,000 over the FY 2001 approved budget. Refer to the FY 2002 Operating Appendices (bound separately) for details. The WMATA operating budget is composed of nonpersonal services which includes funding for the following:

- \$3.2 million to operate 100 new Metrorail cars, currently on order, to relieve overcrowding and accommodate ridership growth on the Metrorail system.

Table KE0-1

FY 2002 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Washington Metropolitan Area Transit Authority

| | Actual FY 2000 | Approved FY 2001 | Proposed FY 2002 | Change from FY 2001 |
|--|-------------------|---------------------|---------------------|------------------------|
| Subsidies and Transfers | 135,531 | 138,073 | 148,622 | 10,549 |
| <i>Subtotal Nonpersonal Services (NPS)</i> | <i>135,531</i> | <i>138,073</i> | <i>148,622</i> | <i>10,549</i> |
| Total Proposed Operating Budget | 135,531 | 138,073 | 148,622 | 10,549 |

- \$1.2 million to operate additional Metrobuses to relieve overcrowding and accommodate growth, based on WMATA guidelines.
- \$1.7 million in funding adjustments for annualization of the Branch Avenue Metrorail route opening and Metrobus services that will begin mid-year FY 2001. The full-year funding requirement for operating the Branch Ave Metrorail and Metrobus services is \$1.3 million and \$400,000, respectively.
- \$2.6 million for employee health care due to increased HMO and insurance fees.
- \$0.95 million for increased fuel costs for Metrobus operations.
- \$0.8 million for a technical skills improvement program to accelerate maintenance and rehabilitation work on Metrorail escalators and other skill improvement areas.

Capital Improvements

WMATA currently has three capital projects with financing totaling \$430 million (table KE0-2).

WMATA has requested \$42 million in FY 2002 and \$42 million over the next 6 years to purchase 50 Metrorail passenger cars. These cars are needed to meet current and projected growth in passenger volume. WMATA estimates the cost of each new car at \$2.4 million, \$120 million total. The agency has identified \$77.6 million in funds available from Maryland and Virginia, leaving \$42.4 million needed from the District of Columbia to complete the project.

Trend Data

Table KE0-3 shows the expenditure history for FY 1998–FY 2002.

Agency Goals and Performance Measures

Note: WMATA's fiscal year runs from July through June. FY 2001 actual figures are projected from the first six months of WMATA's fiscal year.

Goal 1. Improve service delivery to citizens.

Citywide Strategic Priority Area: Building and sustaining healthy neighborhoods; Promoting economic development

Manager: Amir Tuteja, Economic Analyst

Supervisor: Alex Eckmann, Administrator of Office of Mass Transit

Measure 1.1: Number of Metrobus passengers (millions)

| | Fiscal Year | | | | |
|--------|-------------|-------|-------|-------|-------|
| | 1999 | 2000 | 2001 | 2002 | 2003 |
| Target | 107.9 | 128.2 | 141.1 | 148.0 | 152.4 |
| Actual | 124.5 | 138.5 | 143.5 | - | - |

Measure 1.2: Percentage of Metrobus operating costs that are recovered with Metrobus operating revenues

| | Fiscal Year | | | | |
|--------|-------------|------|------|------|------|
| | 1999 | 2000 | 2001 | 2002 | 2003 |
| Target | 34.1 | 34.9 | 35.9 | 37.9 | 37.7 |
| Actual | 36.2 | 36.4 | 38.1 | - | - |

Measure 1.3: Number of Metrorail passengers (millions)

| | Fiscal Year | | | | |
|--------|-------------|-------|-------|-------|-------|
| | 1999 | 2000 | 2001 | 2002 | 2003 |
| Target | 154.1 | 159.0 | 166.0 | 186.2 | 200.0 |
| Actual | 157.2 | 163.3 | 174.6 | - | - |

Measure 1.4: Percentage of Metrorail operating costs that are recovered with Metrorail operating revenues

| | Fiscal Year | | | | |
|--------|-------------|------|------|------|------|
| | 1999 | 2000 | 2001 | 2002 | 2003 |
| Target | 70.2 | 67.8 | 69.2 | 76.4 | 79.1 |
| Actual | 74.5 | 72.4 | 73.1 | - | - |

Table KE0-2

Capital Improvement Plan, FY 2000–FY 2007

(dollars in thousands)

Washington Metropolitan Transit Authority

| Cost Elements | EXPENDITURE SCHEDULE | | | | | | | | | Total Budget Budget | |
|-------------------|----------------------|---------------------|-----------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|---------------------------|----------------|
| | Through FY 2000 | Budgeted FY 2001 | Year 1 Total | Year 2 FY 2002 | Year 3 FY 2003 | Year 4 FY 2004 | Year 5 FY 2005 | Year 6 FY 2006 | 6 Years FY 2007 | | |
| a. Design | 9,000 | 25,000 | 9,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 34,000 |
| b. Site | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c. Project Mngmnt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d. Construction | 83,005 | 42,200 | 125,205 | 23,200 | 23,900 | 28,700 | 39,700 | 56,400 | 56,400 | 228,300 | 353,505 |
| e. Equipment | 0 | 0 | 0 | 42,400 | 0 | 0 | 0 | 0 | 0 | 42,400 | 42,400 |
| f. Total | 92,005 | 67,200 | 134,205 | 65,600 | 23,900 | 28,700 | 39,700 | 56,400 | 56,400 | 270,700 | 429,905 |

| FUNDING SCHEDULE | | | | | | | | | | | |
|--------------------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|
| a. Long Term Financing | 92,005 | 26,000 | 118,005 | 65,600 | 23,900 | 28,700 | 39,700 | 56,400 | 56,400 | 270,700 | 388,705 |
| b. Tobacco | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c. Grants | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d. Pay Go | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 25,000 |
| e. Hwy Trust Fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f. Equipment Lease | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g. Alternative Financing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h. Other | 0 | 16,200 | 16,200 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 16,200 |
| i. Total | 92,005 | 67,200 | 134,205 | 65,600 | 23,900 | 28,700 | 39,700 | 56,400 | 56,400 | 270,700 | 429,905 |

Table KE0-3

FY 2002 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Washington Metropolitan Area Transit Authority

| | Actual FY 1998 | Actual FY 1999 | Actual FY 2000 | Approved FY 2001 | Proposed FY 2002 |
|--------------------|-------------------|-------------------|-------------------|---------------------|---------------------|
| Local | 126,746 | 131,604 | 135,531 | 138,073 | 148,622 |
| Gross Funds | 126,746 | 131,604 | 135,531 | 138,073 | 148,622 |